

PR-4-1517

10 December 1953

MEMORANDUM FOR: Comptroller

SUBJECT : Proposed Regulation No. [REDACTED] SPECIAL CLAIMS STATINTL

STATINTL

1. I have discussed the attached with [REDACTED] and it has been agreed that the subject of taxes probably should be handled separately from CFR 10.7 and 10.12. However, we both question the title of the regulation "Special Claims." Also, there is general agreement that contracts should not provide lump sum payments or allowances in anticipation of tax payments which must be made by an individual. In the absence of most unusual circumstances, reimbursement of taxes should be made on the basis of evidence of their payment.

2. Reimbursement for Social Security taxes has been the subject of many questions. There is considerable pressure from some sources to permit reimbursement to the individual of such taxes where they are contributing to the Civil Service Retirement Fund. This point might well be explored by the Office of the Comptroller with [REDACTED]/DDP and OGC prior to forwarding the regulation [REDACTED] for coordination and publication.

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